

## Message Text

CONFIDENTIAL

PAGE 01 GENEVA 00669 041350Z

43

ACTION IO-10

INFO OCT-01 EUR-12 ISO-00 IOE-00 SSO-00 NSCE-00 USIE-00

INRE-00 DEAE-00 CIAE-00 INR-07 JUSE-00 NSAE-00 RSC-01

SNM-02 SY-04 TRSE-00 NSC-05 OES-03 OMB-01 SS-15 HEW-02

DODE-00 AID-05 L-02 /070 W

----- 019996

O 041315Z FEB 75

FM USMISSION GENEVA

TO SECSTATE WASHDC IMMEDIATE 417

INFO AMEMBASSY ANKARA IMMEDIATE

C O N F I D E N T I A L GENEVA 0669

E.O. 11652: GDS

TAGS: SNAR, TU, UN

SUBJECT: NARCOTICS - REPORT OF GREENFIELD TEAM

FOLLOWING IS SECTION GREENFIELD TEAM REPORT CONCERNING  
FINANCIAL QUESTIONS:

"35. IT IS ALREADY PLAIN THAT ONCE NEW REGIME IS FARILY  
LAUNCHED ON ITS WAY IT SHOULD, AND UNDER COMPETENT  
MANAGEMENT WILL, AT ALL STAGES BE SEFL-\*FINANCING.

"36. NETHERTHELESS THERE ARE NUMBER OF MAJOR FINCIAL  
QUESTIONS WHICH MUST BE ANSWERED BUT FOR WHICH REQUISITE  
DATA ARE NOTE YET AVAILABLE.

"37. ON PRIMA FACIE COMPUTATION PRICES OBTAINABLE FOR  
POPPY STRAW IN WORLD MARKETS TODAY SHOLD AMPLY COVER PRICE  
PAYABLE AT FIELD AAND ALL CONTINGENT COSTS OF COLLECTION,  
TRANSPORT, STORAGE AND SHIPMENT TO OVERSEAS DESTINATIONS  
FOR EXTRACTION OF MPRPHINE. THIS, HOWEVER, MAY BECOME  
OPEN TO DOUBT UNLESS PRODUCT IS EFFICIENTLY MARKETED--  
THAT IS TO SAY, UNLESS IT IS KEPT IN PRIME CONDITIOAND  
IS SOLD AT BEST PRICES OBTAINABLE. IT FOLLOWS THAT  
CONFIDENTIAL

CONFIDENTIAL

PAGE 02 GENEVA 00669 041350Z

PRODUCT SHOULD BE BROUGHT TO POINT OF MANUFACTURE AS

QUICKLY AS POSSIBLE. RECENT DEVELOPMENTS ARE TENDING TO BRING ABOUT A NARROWING OF GAP BETWEEN WORLD SUPPLY AND DEMAND OF MORPHINE, AND ONCE IT IS CLOSED WORLD PRICE OF POPPY STRAW MAY FALL. THIS CONSIDERATION APPLIES WITH PARTICULAR FORCE TO 1975 CROP, WHICH FOR REASONS CITED EARLIER IN REPORT MAY BE DEFICIENT IN CERTAIN RESPECTS. IN SSUBSEQUENT YEARS QUALITY MAY BE BROUGHT TO A LEVEL WHERE IT CAN COMMAND HIGHEST RULING PRICES IN CUUNTRIES TO WHICH IT IS SOLD. EVEN WHEN FACTORY IS COMPETED AND IS IN FULL WORKING THERE MAY BE SOME SURPLUS STRAW FOR SALE, IN WHICH CASE SAME CONSIDERATIONS WILL STILL HOLD.

"38.ON THE OTHER HAND PRICE TO BE PAID TO GROWER WILL BE RELATIVELY CONSANT. BOTH TMO AND MISSION HABE INDEPENDENTLY ATTEMPTED A FORMULA FOR ASSESSMENT OF WHAT COULD BE REGARDED AS A FAIR PRICE; AND WHILE RESULTS NECESSARILY DIFFER SNCE TWO SETS OF CALCULATIONSARE BASED ON DIFFERENT PREMISES, THEY ARE NOT VERY FAR APORT. PRICE WILL EVENTUALLY BE FIXED BY COUNCIL OF MINISTERS.

"39. SINCE NEITHER REVENUE OBTAINABLE FROM CROP, NOR PRICE THAT WILL IN FACT BE PAID AT FIELD, NOR COSTS TO BE INCURRED IN COLLECTION, TRANSPORT, STOARGE AND SHIPMENT WILL BE KNOWN UNTIL AUTUMN, IT WOULD OBVIOUSLY BE FUITLESS AT THIS STAGE TO ATTEMPT A FINANCIAL ASSESSMENT OF OPERATION OF NEW REGIME IN ITS INITIAL YEAR.

"40. WHAT IS CLEARLY APPARENT, HOWEVER, IT THAT GOVT IS FACED WITH A CONSIDERABLE FINANCILA OUTLAY ON A NUMBER OF COUNTS. A MAJOR ELEMENT WILL BE PRICE PAYABLE AT FIELD, AND ON PRESENT INDICATIONS THIS COULD HARDLY BE EXPECTED TO BE LESS THAN US\$10. MILLION. DEPENDING ON DEGREE OF SUCCESS ATTENDING OVERSEAS MARKETING OPERATION THIS SUMCOULD BE FULLY RECOUPED BY END OF YEAR. BUT IF PART OF CROP REMAINS UNSOLD SOME OF THIS FINANCIAL COMMITMENT WILL CONTINUE TO REST ON SHOULDERS OF GOVT.

"41. ANOTHER SUBSTANTIAL OUTLAY IS REPRESENTED BY  
CONFIDENTIAL

CONFIDENTIAL

PAGE 03 GENEVA 00669 041350Z

REINFORCEMENT OF TMO, POLICE AND JANDARMA PERSONNEL TO ENSURE SAFE CUSTODY OF CROP IN FIELD AND IN TRANSIT TO OVERSEAS DESTINATIONS, AND TO GUARD AGAINST CLANDESTINE CULTIVATION WHICH COULD BE ATTEMPTED IN OTHER AREAS AS CONSEQUENCE OF STRICT CONTROL IN DISTRICTS WHERE POPPY GROWING IS PERMITTED.

"42. COMPENSATION MAY ALSO HAVE TO BE PAID TO GOVT EMPLOYEES

RENDERED REDUNDANT BY CHANGE OF REGIME; FOR EXAMPLE  
AT OPIUM DEPOT IN ISTANBUL.

"43. DIMENSIONS OF THESE AND POSSIBLE OTHER OUTGOINGS  
CANNOT BE KNOWN UNTIL MORE DATA ARE GATHERED AND  
ASSESSED DURING COURSE OF THE YEAR.

"44. AGAIN, GOVT IS FACED WITH MASSIVE EXPENDITURE ON  
ERECTION, EQUIPMENT, STAFFING AND MANAGEMENT OF PROPOSED  
MANUFACTURING INDUSTRY BASED ON POPPY STRAW.

"45. SUM TOTAL OF ALL THESE COMMITMENTS CONSTITUTES  
VERY HEAVY BURDEN FOR NATIONAL ECONOMY WHICH IS STILL  
UNDERDEVELOPED. HOW IS IT TO BE BORNE?

"46. TO TAKE LAST COMMITMENT FIRST FACTORY PROJECT IS  
AN INVESTMENT; AND IF WISE COUNSELS ARE FOLLOWED IT WILL  
IN DUE COURSE BE PROFITABLE ONE AND SOLID ADDITION TO  
COUNTRY'S INDUSTRIAL DEVELOPMENT. IT OUGHT THEREFORE TO  
BE ABLE--IF NOT IMMEDIATELY THEN IN DUE COURSE--TO ATTRACT  
INVESTMENT CAPITAL FROM WITHIN TURKEY, THEREBY RECOUPING  
ANY INITIAL OUTLAY BY GOVT.

"47. AS TO PAYMENTS TO BE MADE TO POPPY GROWERS IT IS  
A NORMAL FEATURE OF BANKING PRACTICE IN NUMBER OF COUNTIRES  
TO ADVANCE MONEY ON SECURITY OF A CROP DURING GROWING  
STAGE. SUCH ADVANCES HOWEVER WOULD BE LIMITED TO A  
PERCENTAGE OF REALISABLE VALUE OF EXPECTED CROP; AND THEY  
WOULD BE SUBJECT TO PAYMENT OF INTEREST. CONSIDERATION  
MIGHT THERFORE BE GIVEN TO NEGOTIATIONS OF AN INTER-  
NATIONAL LOAN, WHICH COULD PERHPAS BE OBTAINED ON SOMEWHAT  
MORE FAVOURABLE TERMS.

CONFIDENTIAL

CONFIDENTIAL

PAGE 04 GENEVA 00669 041350Z

"48. FINALLY SOME INTL CONTRIBUTION MGHT BE SOUGHT  
TOWARDS DEFRAYING EXPENDITURE WHICH CAN BE SHOWN TO BE  
DIRECTLY ATTRIBUTABLE TO MEASURES WHICH TURKEY IS ADOPTING  
WITH VIEW TO SUPPLEMENTING ESSENTIAL MEDICINAL SUPPLIES  
WHILE AT SAME TIME PREVENTING RISK OF LEAKAGE OF  
DANGEROUS DRUGS INTO INTL ILLICIT CHANNELS. ANY SUCH  
CONTRIBUTION UNDER THIS HEAD WOULD PRESUMABLY BE CLAMINED  
ONLY FOR PERHAPS TWO YEARS, BY WHICH TIME ALKALOIDS  
FACTORY SHOULD BE IN OPERATION AND NEED FOR INTENSIVE  
SECURITY MEASURES WOULD BE REDUCE.

"49. EVIDENTLY THER IS MUCH RESEARCH TO BE DONE INTO  
ALL THESE MATTERS. QUESTIONS ARE URGENT: AND ANSWERS  
MUST BE DILIGENTLY SOUGHT."DALE

CONFIDENTIAL

NNN

## Message Attributes

**Automatic Decaptoning:** X  
**Capture Date:** 01 JAN 1994  
**Channel Indicators:** n/a  
**Current Classification:** UNCLASSIFIED  
**Concepts:** OPIUM, DRUG CONTROL, AGRICULTURAL PRODUCTION, DRUG TRAFFIC, MEETING REPORTS  
**Control Number:** n/a  
**Copy:** SINGLE  
**Draft Date:** 04 FEB 1975  
**Decaption Date:** 01 JAN 1960  
**Decaption Note:**  
**Disposition Action:** RELEASED  
**Disposition Approved on Date:**  
**Disposition Authority:** SmithRJ  
**Disposition Case Number:** n/a  
**Disposition Comment:** 25 YEAR REVIEW  
**Disposition Date:** 28 MAY 2004  
**Disposition Event:**  
**Disposition History:** n/a  
**Disposition Reason:**  
**Disposition Remarks:**  
**Document Number:** 1975GENEVA00669  
**Document Source:** CORE  
**Document Unique ID:** 00  
**Drafter:** n/a  
**Enclosure:** n/a  
**Executive Order:** GS  
**Errors:** N/A  
**Film Number:** D750040-0433  
**From:** GENEVA  
**Handling Restrictions:** n/a  
**Image Path:**  
**ISecure:** 1  
**Legacy Key:** link1975/newtext/t19750275/aaaacpmb.tel  
**Line Count:** 168  
**Locator:** TEXT ON-LINE, ON MICROFILM  
**Office:** ACTION IO  
**Original Classification:** CONFIDENTIAL  
**Original Handling Restrictions:** n/a  
**Original Previous Classification:** n/a  
**Original Previous Handling Restrictions:** n/a  
**Page Count:** 4  
**Previous Channel Indicators:** n/a  
**Previous Classification:** CONFIDENTIAL  
**Previous Handling Restrictions:** n/a  
**Reference:** n/a  
**Review Action:** RELEASED, APPROVED  
**Review Authority:** SmithRJ  
**Review Comment:** n/a  
**Review Content Flags:**  
**Review Date:** 19 JUN 2003  
**Review Event:**  
**Review Exemptions:** n/a  
**Review History:** RELEASED <19 JUN 2003 by izenbei0>; APPROVED <31 OCT 2003 by SmithRJ>  
**Review Markings:**  

Margaret P. Grafeld  
Declassified/Released  
US Department of State  
EO Systematic Review  
05 JUL 2006

**Review Media Identifier:**  
**Review Referrals:** n/a  
**Review Release Date:** n/a  
**Review Release Event:** n/a  
**Review Transfer Date:**  
**Review Withdrawn Fields:** n/a  
**Secure:** OPEN  
**Status:** NATIVE  
**Subject:** NARCOTICS - REPORT OF GREENFIELD TEAM FOLLOWING IS SECTION GREENFIELD TEAM REPORT CONCERNING  
**TAGS:** SNAR, TU, UN  
**To:** STATE  
**Type:** TE  
**Markings:** Margaret P. Grafeld Declassified/Released US Department of State EO Systematic Review 05 JUL 2006